

SunLand Water District

Board of Commissioners Meeting of February 13, 2018

MINUTES

Purpose: Regular Meeting

1. **Call to order.** 9:00 AM at 5762 Woodcock Road, Sequim, WA 98382
Attendees: Commissioners Larison, Friess, and Fortmann, Mike Langley, district manager; Karen Shay, bookkeeper; Judy Gamble, office administrator, and Kenneth Niblett, Division 17 representative
2. **Minutes:** It was M/S/P to approve the minutes of the regular meeting of January 9, 2018 as written. (Moved by A. Friess, seconded by Gary Fortmann)
3. **Financial Report:** Karen Shay
 - a. **Financial Statements** –Karen presented financial statements through January 31, 2018.
 - b. **Employee Dependents Health Insurance** – tabled until March meeting.
 - c. **Reserve Fund Investment** – Karen suggested the SWD may want to move some of the funds in the reserve to a CD in order to get a better return. The amount of \$250,000 was discussed. Subject to be reviewed again at the March meeting before any action is taken. Gary Fortmann suggested Karen speak with Jim Jones of Division 17 who is very knowledgeable in financial matters.

State Audit. Assistant State Auditor, Cheryl Friesen, and Amy Strzalka, also from the Auditor's Office, had a brief meeting with Karen and Mike on Monday to discuss the preliminary findings of the State Accountability 4-Year (2014-17) Audit conducted in January. Karen distributed a copy of the Preliminary Draft of the findings. The SWD will provide a response to the State regarding the preliminary findings by February 21st.

Cheryl will return to meet with the Board of Commissioners at 1:00 p.m. on Tuesday, February 27, to conduct a final audit review. The preliminary findings listed several areas where the SWD needs to improve in order to be in compliance with state laws and adequate safeguarding of public resources. Karen was told that the State Auditor's Office will be performing a yearly accountability audit of the SWD until full compliance is recognized. Even though some of the findings were corrected in 2017, they are still listed on the report as a perceived control issue.

Jim Larison asked that an update on Audit Compliance be on the monthly agenda for Board of Commissioner's meetings.
4. **Manager's Report** – Mike Langley presented his report which is appended to and is a part of the official meeting minutes. Discussion continued from last month in regard to the District's need to purchase a new/used sludge truck and the possible liability issue with the recurring brake

problems with the current vehicle. Mike made a trip to Seattle searching for a truck that would do the job but did not find any that would be satisfactory for our purpose. The Hino brand, manufactured by Toyota, seems to meet our criteria for a truck with the shortest wheel base and greatest load capability. Mike was asked to talk to local dealers who might be able to procure and maintain a new Hino, or commensurate, truck. Mike was requested by the Board to make obtaining a truck his number one priority with a cost not to exceed \$150,000.00.

Mike Cays has been working with the Department of Ecology to assure our compliance with the new reclaimed water regulation (173-219 WAC Reclaimed Water).

Meters are being read throughout SunLand. Repairs to Reservoir #1 have been completed and it is back online. A tree top blown out in the recent storm went through the roof of Reservoir #2 so it had to be taking off line for repairs.

Mike distributed a listing of all Resolutions passed by the District since 1977.

Water operator Dutch Williamson presented slides showing the mapping of all sewer man holes and sewer clean outs within the SunLand service area.

5. Old Business

- a. Long Term Planning Discussion – Jim Larison led the continuing discussion surrounding long term planning issues for the SunLand Water District. Discussed was the (1) necessity to obtain an off-site backup for computer files. Karen and Dutch are looking into obtaining a “Cloud” service. (2) The One Call Now service for emergency phone messages was previously discussed but tabled until Ricki Bele’s return to the SLOA office. Ricki returned this week and Karen will talk with her about partnering with SLOA to get this service implemented and (3) Jim Larison distributed a “Long Term Planning Element Tentative Schedule” which listed projects and their projected costs for short term (1-5 years, medium term (6-10 years) and long term (11-20 years).
- b. Spending Limit for District Manager – Jim Larison reported that at a Board meeting held on January 10, 2012, a spending limit of \$5000 for the district manager without Board pre-approval was discussed but not officially acted upon. Mike Langley feels the \$5000 limit is adequate for his needs; therefore, Judy was asked by the Board to prepare Resolution 111 confirming the spending limit which will be voted upon at the next BOC meeting in March.

6. New Business

- a. Gary Fortmann reported on his attendance at the WASWD’s 2018 Commissioners Workshop in Tukwila which was held on Saturday, January 27, 2018. He thought it was well worth the time and he learned a lot. Topics discussed included the L& I Pool for State Insurance; the Public Works Trust Fund; Group Health Care Availability; Open Meetings and Building Relationships. Gary thought the Building Relationships segment

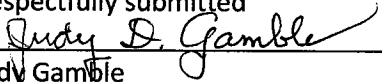
was especially important. Present and future communication improvement through our website, the SLOA newsletter, One Call Now, and other means were discussed.

- b. Late Charges and Delinquent Accounts – Resolution 68 was revisited. No. 68-D was passed by the Board in December, but post-audit, additional policy and procedures are needed such as the quarterly minimum payment requirement. Karen presented a preliminary Accounts Receivable Late Fee Procedure for review.

It was decided to prepare a new Resolution (112) to be discussed and voted upon at the March meeting. The new Resolution would state SWD Policy with regard to payments in general, as well as how to handle delinquent accounts and application of late charges.

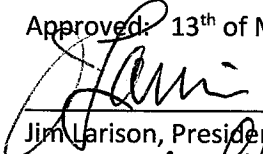
- c. Notary Public – Judy stated that she has received her Notary License from the State. Jim Larison said that under SWD policy (*ref. SWD Employee Manual of May 16, 2013, paragraph 2.5 Compensation*) employees obtaining additional skills and/or certifications are eligible for an hourly pay increase. He asked Mike Langley to take care of giving Judy an hourly increase in accordance with the policy. Note: A copy of Judy's Notary license will be appended to these minutes.
- 7. **Checks and Vouchers.** A voucher for vendor payments and a transfer check were submitted for signature by the Commissioners. The January payroll summary was also submitted for Commissioners' signatures.
 - 8. **Other.** Kenneth Niblett from Division 17 reported that a resource at the KONP radio station told him Verizon will go "live" with the new cell phone tower in Sequim-Dungeness no later than 28 February and that T-Mobile is supposed to come online in 60-90 days.
 - 9. **Adjournment** - Meeting adjourned at 11:22 a.m. (moved by Al Friess and seconded by Gary Fortmann).

Respectfully submitted

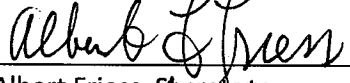


Judy Gamble
Office Administrator

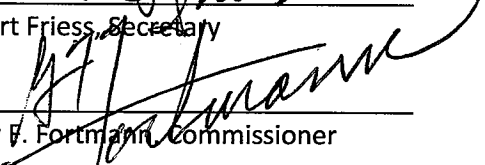
Approved: 13th of March 2018.



Jim Larison, President



Albert Friess, Secretary



Gary F. Fortmann, Commissioner

STATE OF WASHINGTON

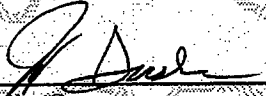


DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION



THIS CERTIFIES THAT THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

NOTARY PUBLIC APPOINTMENT

JUDY D. GAMBLE


Jay Inslee, Governor

Kim Wyman, Secretary of State

Pat Kohler, Department of Licensing

197015

License Number

02/01/2018

Issued Date

12/26/2021

Expiration Date